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**BEFORE THE ARIZONA CORPORATION COMMISSION**

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AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF  
PALO VERDE UTILITIES COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-05-0307

IN THE MATTER OF THE APPLICATION OF  
SANTA CRUZ WATER COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-03576A-05-0307

**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On April 26, 2005, Palo Verde Utilities Company, LLC ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") (jointly "Companies") filed with the Arizona Corporation Commission ("Commission") an Application for an extension of their Certificates of Convenience and Necessity ("CC&Ns") to provide wastewater and water service, respectively.

On May 24, 2005, the Commission's Utilities Division Staff ("Staff") filed an Insufficiency Letter listing the areas in the application that Staff determined did not meet the sufficiency requirements set forth in the Arizona Administrative Code ("A.A.C.").

On July 21, 2005, Palo Verde and Santa Cruz submitted a letter and additional information in response to Staff's Insufficiency Letter.

On August 19, 2005, Staff filed a Sufficiency Letter stating that the Companies' Application met the sufficiency requirements set forth in the Commission's rules.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **November 21, 2005, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona 85007.

1 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
2 except that all motions to intervene must be filed on or before October 21, 2005.

3 IT IS FURTHER ORDERED that objections to any motions to intervene must be filed on or  
4 before November 4, 2005.

5 IT IS FURTHER ORDERED that the Companies shall provide public notice of the hearing in  
6 this matter, in the following form and style:

7  
8 **PUBLIC NOTICE OF HEARING ON THE APPLICATION OF**  
9 **SANTA CRUZ WATER COMPANY AND PALO VERDE UTILITIES COMPANY**  
10 **FOR AN EXTENSION OF THEIR CERTIFICATES OF CONVENIENCE**  
11 **AND NECESSITY FOR WATER AND WASTEWATER SERVICE**  
12 **(SW-03575A-05-0307 and W-03576A-05-0307)**

13 On April 26, 2005, Palo Verde Utilities Company and Santa Cruz Water Company  
14 ("Companies") filed an Application with the Arizona Corporation Commission  
15 ("Commission") for an extension of their Certificates of Convenience and Necessity to  
16 provide wastewater and water service, respectively. If the Applications are granted, the  
17 Companies would be the exclusive provider of water and wastewater to the area, and  
18 would be required by the Commission to provide service under rates and charges and  
19 terms and conditions established by the Commission. The Application is available for  
20 inspection during regular business hours at the offices of the Commission in Phoenix, at  
21 1200 West Washington Street, Phoenix, Arizona, and at the offices of the Company,  
22 [insert address].

23 The Commission will hold a hearing on this matter beginning on **November 21, 2005, at**  
24 **10:00 a.m.**, at the Commission's offices, 1200 West Washington Street, Phoenix,  
25 Arizona. Public comment will be taken on the first day of the hearing.

26 The law provides for an open public hearing at which, under appropriate circumstances,  
27 interested parties may intervene. Intervention shall be permitted to any person entitled by  
28 law to intervene and having a direct and substantial interest in the matter. Persons  
desiring to intervene must file a written motion to intervene with the Commission, which  
motion should be sent to the Applicants or its counsel and to all parties of record, and  
which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and  
of any party upon whom service of documents is to be made if different  
than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding  
(e.g., a customer of the Applicants, a shareholder of the Applicants, etc.).
3. A statement certifying that a copy of the motion to intervene has been  
mailed to the Applicants or their counsel and to all parties of record in the  
case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that  
all motions to intervene must be filed on or before October 21, 2005. The granting of  
intervention, among other things, entitles a party to present sworn evidence at hearing

1 and to cross-examine other witnesses. Failure to intervene will not preclude any potential  
2 customer from appearing at the hearing and making a statement on such person's own  
3 behalf. You will not, however, receive any further notice of the proceeding unless  
4 requested by you.

5 The Commission does not discriminate on the basis of disability in admission to its public  
6 meetings. Persons with a disability may request a reasonable accommodation such as a  
7 sign language interpreter, as well as request this document in an alternative format, by  
8 contacting Linda Hogan, ADA Coordinator, voice phone number 602/542-3931, E-mail  
9 Lhogan@admin.cc.state.az.us. Requests should be made as early as possible to allow  
10 time to arrange the accommodation.

11 IT IS FURTHER ORDERED that the Companies shall publish notice of the Application in a  
12 newspaper of general circulation in the proposed extension area and shall mail to each property  
13 owner in the requested extension areas a copy of the above notice by September 23, 2005.

14 IT IS FURTHER ORDERED that the Companies shall file certification of mailing as soon as  
15 practical after the mailing has been completed but not later than October 21, 2005.

16 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing of same,  
17 notwithstanding the failure of an individual to read or receive the notice.

18 IT IS FURTHER ORDERED that Staff shall file a Staff Report by October 21, 2005.

19 IT IS FURTHER ORDERED that the Companies shall file any objections to the Staff Report  
20 by November 4, 2005.

21 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
22 Communications) applies to this proceeding as the matter is now set for public hearing.

23 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
24 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
25 hearing.

26 DATED this 22<sup>nd</sup> day of August, 2005.

27 

28 DWIGHT D. NODES  
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered  
2 this 22 day of August, 2005 to:

3 Michael W. Patten  
4 ROSHKA HEYMAN & DeWULF, PLC  
5 One Arizona Center  
6 400 East Van Buren, Ste. 800  
7 Phoenix, AZ 85004  
8 Attorneys for Applicants

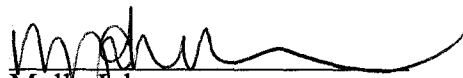
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10 Global Water Management  
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12 Phoenix, AZ 85027

13 Christopher Kempley, Chief Counsel  
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17 Phoenix, Arizona 85007

18 Ernest G. Johnson, Director  
19 Utilities Division  
20 ARIZONA CORPORATION COMMISSION  
21 1200 West Washington Street  
22 Phoenix, Arizona 85007

23 ARIZONA REPORTING SERVICE, INC.  
24 2627 N. Third Street, Suite Three  
25 Phoenix, Arizona 85004-1104

26 By:

27   
28 Molly Johnson  
Secretary to Dwight D. Nodes